

REMARKS

Applicants respectfully submit that claims 1-3, 8, and 15-20 have been amended and claims 7 and 11 have been cancelled without prejudice to more clearly point out the present invention. All the claims presently on file are in condition for allowance, which allowance is earnestly solicited.

DRAWINGS

The examiner objected to the drawings on the ground that the drawings do not show every feature of the present invention. Applicants respectfully submit that the drawings show every feature of the claims, as amended, and thus no drawings modifications are required.

OBJECTIONS TO THE CLAIMS

The examiner objected to claims 1, 2, 3, 7-8, 15-17, and 19-20 for containing certain informalities. The claims as amended address these informalities.

CLAIM REJECTION UNDER 35 U.S.C. 112

The examiner rejected claims 1-20 under 35 U.S.C. 112, first paragraph, as failing to comply with the enablement requirement. Applicants respectfully submit that the claims as amended satisfy the requirements of 35 U.S.C. 112, first paragraph.

CLAIM REJECTION UNDER 35 U.S.C. 101

The examiner rejected claims 1-20 under 35 U.S.C. 101, on the ground that the claimed invention is directed to non-statutory subject matter. Applicants respectfully submit that the claims as amended satisfy the requirements of 35 U.S.C. 101.

CLAIM REJECTION UNDER 35 U.S.C. 103

Claim 11 was rejected under 35 U.S.C. 103(a) as being unpatentable over Blakely III et al., U.S. Patent Application No. 5,677,952, hereinafter referred to as "Blakely". The Examiner indicated that Blakely does not expressly disclose the limitation that "a plurality of false derivatives will not be used to decrypt the encrypted string."

Applicants agree with the examiner on the characterization of Blakely, and respectfully submit that claim 11 has now been canceled without prejudice, and its limitation included in the independent claims 1, 15, and 18. Applicants submit that the rejection under 35 U.S.C. 103 has now become moot.

In addition, the examiner did not combine the teaching of Blakely with any prior art reference. Actually, the examiner's argument is limited to a general conclusion on how to modify Blakely, without any substantive support. The examiner is invited to either withdraw the obviousness rejection, or to provide substantive and valid prior art references in support of a valid obviousness rejection.

CLAIM REJECTION UNDER 35 U.S.C. 102

A. The Rejection

Claims 1-10 and 12-20 were rejected under 35 U.S.C. 102(b) as being anticipated by Blakely, *supra*.

Applicants traverse this rejection and respectfully submit that, based on strict legal standards of anticipation, the inclusion of the limitation of claim 11 in the independent claims 1, 15, and 18, necessitates the finding of non-anticipation of the claims on file. Consequently, independent claims 1, 15, and 18 and the claims dependent thereon are allowable, which allowance is earnestly solicited. In support of this position, Applicants present the following arguments:

B. Legal Standard for Lack of Novelty (Anticipation)

The standard for lack of novelty, that is, for "anticipation," is one of strict identity. To anticipate a claim for a patent, a **single prior source must contain** all its essential elements, and the burden of proving such anticipation is on the party making such assertion of anticipation. Anticipation cannot be shown by combining more than one reference to show the elements of the claimed invention. The amount of newness and usefulness need only be minuscule to avoid a finding of lack of novelty.

The following are two court opinions in support of Applicant's position of non-anticipation, with emphasis added for clarity purposes:

- "Anticipation under Section 102 can be found only if a reference shows exactly what is claimed; where there are differences between the reference disclosures and the claim, a rejection must be based on obviousness under Section 103." *Titanium Metals Corp. v. Banner*, 778 F.2d 775, 227 USPQ 773 (Fed. Cir. 1985).
- "Absence from a cited reference of any element of a claim of a patent negates anticipation of that claim by the reference." *Kloster Speedsteel AB v. Crucible Inc.*, 793 F.2d 1565, 230 USPQ 81 (Fed. Cir. 1986), on rehearing, 231 USPQ 160 (Fed. Cir. 1986).

C. Application of the Legal Standard for Anticipation

The allowability of the rejected claims will now be discussed in view of representative claim 1.

As stated earlier, Applicants agree with the examiner that **Blakely does not expressly disclose the limitation of "a plurality of false derivatives will not be used to decrypt the encrypted string."** The present invention comprises additional derivatives that are not actually used to determine the factors; the presence of these false derivatives provides an additional level of security (*reference is made to paragraph [0031]*) over the encryption technique of Blakely III. In contrast, Blakely describes a one-way function used to distinguish correct and incorrect passwords (*reference is made to column 5, line 66 – column 6, line 2*). Consequently, Blakely does not anticipate the present invention as recited in representative claim 1.

Claim 1 is thus not anticipated by Blakely, and the allowance of this claim and the claims dependent thereon is earnestly solicited. Independent claims 15 and 18 are allowable for containing a generally similar subject matter to that of claim 1. Therefore, claims 15 and 18 and the claims dependent thereon are also allowable.

CONCLUSION

All the claims presently on file in the present application are in condition for immediate allowance, and such action is respectfully requested. If it is felt for any reason that direct communication would serve to advance prosecution of this case to finality, the Examiner is invited to call the undersigned at the below-listed telephone number.

Respectfully submitted,

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